

network offerings to other institutions both within and outside of California.

- UCLA and UC Davis both would provide mobile videotape recorders for hospital staffs in the San Joaquin and Sacramento Valleys, offering teaching tapes, cameras and playback units to study teaching and demonstration techniques carried on in the local hospital. The units would be trucked from one hospital to the next on pre-set schedules.

- UCLA would develop learning and instruction languages and programs for a medical computer.

- Loma Linda University School of Medicine proposes to offer increased and expanded library services to practicing physicians throughout its area.

- Loma Linda would also conduct a one-year demonstration of the feasibility of remote computer display terminals for EKG, cardiac output and other physiologic signs. A physician 200 miles from the computer could hook his patient to the remote terminal, pick up his telephone, dial the computer and ask it to compare the patient's symptoms with normal ranges. The computer reading would be checked for acceptability, in each case, by a cardiologist.

The operational proposals submitted in March:

- The San Francisco Medical Center proposes a network of northern California hospitals to establish new or provide improved clinical diagnosis, treatment, social service and consultation for cancer patients. The two-part program would also create or enhance radiological physics and nuclear medicine capabilities.

- UCSF would establish, through its Division of Ambulatory and Community Medicine, a co-ordinated year-round general practice residency program in cooperation with Sonoma Community Hospital.

- A pilot training program to explore the kinds of special skills needed or desired for physicians in intensive care units in small general hospitals is proposed through the UCSF planning office.

- UCLA proposes to establish a medical library service network, linking major hospitals in its service area.

The two earmarked fund proposals come from the University of California at Irvine and the San Francisco Medical Center.

- UCI proposes an Orange County-wide train-

ing and demonstration program for pediatric pulmonary disorders. Diagnosis, treatment, rehabilitation and social adjustment for chronic pulmonary diseases is included.

- The UCSF proposal would integrate and augment an existing hypertension program, extending improved diagnosis and management of hypertensive patients, including demonstration programs for referral and follow-up, throughout Area I.

The first year costs for all proposals submitted, if approved as requested, total \$4,942,649. Most of the proposals would run for three years; some pilot and demonstration projects, however, would expire after one year, and a few would extend to five years. The total long range costs requested are \$16,806,430.

The National Advisory Council site review team showed great interest in these 21 proposals. The Council is expected to announce its action on them about mid-June.

Estimates of Physicians' Fees in The President's Health Message

A critique of a section in the President's health message to the Congress dated 4 March 1968, prepared by the CMA Bureau of Research and Planning

AT A TIME WHEN considerable public and legislative discussion centers around the costs of health care, and at a time when the onus for the rising costs of such care is being placed by numerous persons primarily upon the physician, it is both unfortunate and regrettable to observe what we consider to be the misuse and inappropriate use of data by the Executive branch of government to further misconceptions about the increases in physicians' fees. A glaring example of this is to be found in the section of the President's Message of 4 March to the U.S. Congress, under the caption of "Controlling Costs of Health Care." The erroneous impression which can be, and has already been, gained is that physicians' fees will have increased 160 percent in the ten-year period from 1965 to 1975. Such a mis-impression can result from the fact that the President's Message deals with two separate and distinct sets of estimates—each of which is derived from a separate base.

(1) In referring to the fact that "the cost of living will increase by more than 20 percent by the end of 1975, the President's message is predicated the rise in the CPI on an increase of approximately 2 percent a year. Recent indications are that the Consumer Price Index is increasing at the rate of between 3.0 percent and 3.5 percent per year. Therefore, by the end of 1975, the increase over the decade may well be closer to, or exceed, 30 percent.

(2) The more serious fault in the presentation of the data, however, lies in the manner in which the increase in physicians' charges is presented. The statement that "doctors' bills will climb 160 percent" is a composite of increases in fee levels *and* increases in consumption. The best estimate based on recent trends in fees is that levels will increase approximately 60 percent (or less) in the ten-year period; the remainder of this projected 160 percent increase must necessarily be attributable to an increase in the *amount* of services consumed. In any event, the figure which would be comparable to the projected 20 percent increase in consumer prices would be 60 percent *not* 160. It is likely that if a figure for all goods and services had been developed which would have been comparable to the 160 percent increase for physicians' services, there would be even less disparity between the two projections. Therefore, although the statistics employed may have validity standing by themselves, they are misleading because they contain a "mix" of percentages (a) based upon the Consumer Price Index, and (b) based upon *projected expenditures* for medical care, including physicians' services. The casual reader of the Message, or the average interpreter, is therefore likely to draw improper conclusions from the sequence of the data used. That such unwarranted conclusions can be drawn is already evidenced by the numerous reports in the public press which, unfortunately, has accepted the data at face value.

One further observation: the President's message refers to the "cost of living." This term, too, is incorrect inasmuch as the Consumer Price Index is *not* a cost of living index. Although the Bureau of Labor Statistics has been careful to avoid use of the term "cost of living," it is curious to find this expression employed in an important message to the Congress.

The Bureau of Research and Planning can only comment, with dismay, that in juxtaposing two sets of estimates which are derived from different

bases or assumptions, and in using other language of questionable appropriateness, the "credibility gap" relating to physicians' fees has been widened by a wide margin.

The Bureau's hope is that this critique and explanation will enable physicians to inform themselves and others of the facts, including the proper interpretation of the data in the President's Health Message.

New Legislation Proposed to Lighten Malpractice Burden

WITH PROFESSIONAL LIABILITY PREMIUM RATES soaring to heights undreamed of ten, or even five year ago, the CMA is painfully aware of the burden its members are required to bear in order to secure professional liability insurance.

As in the past, the CMA, under the direction of the Medical Review and Advisory Committee, continues to initiate multi-pronged assaults on the myriad problems which are enveloping the provision of physician malpractice insurance. And, a vital part of CMA's action program to improve the "professional liability atmosphere" is the sponsorship of six new bills which have been presented to the current California Legislature.

They are:

- A.B. 574 (Deddeh, Chula Vista), which would provide for a separate trial of the defense of the statute of limitations before any other issue in the case can be tried, upon motion of either party.

- A.B. 1068 (Veysey, Brawley), which would place upon the plaintiff the burden of proving the defendant's negligence, and would establish that injury alone does not constitute either the presumption or inference of negligence.

- A.B. 1069 (Veysey, Brawley), which would extend the present concept of privileged communications to the proceedings and/or records of medical review committees of local medical societies and hospital staffs.

- A.B. 1070 (Veysey, Brawley), would require the plaintiff to file a nominal fee (\$500 cost bond) to discourage the filing of nuisance suits.

- A.B. 1071 (Veysey, Brawley), which would